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IN THE

Supreme Court of the United States

OCTOBER TERM, 1961

No. 798.

ALFRED DUNHILL OF LONDON, INC.,

Petitioner,

v.

DUNHILL TAILORED CLOTHES, INC.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

BRIEF IN OPPOSITION.

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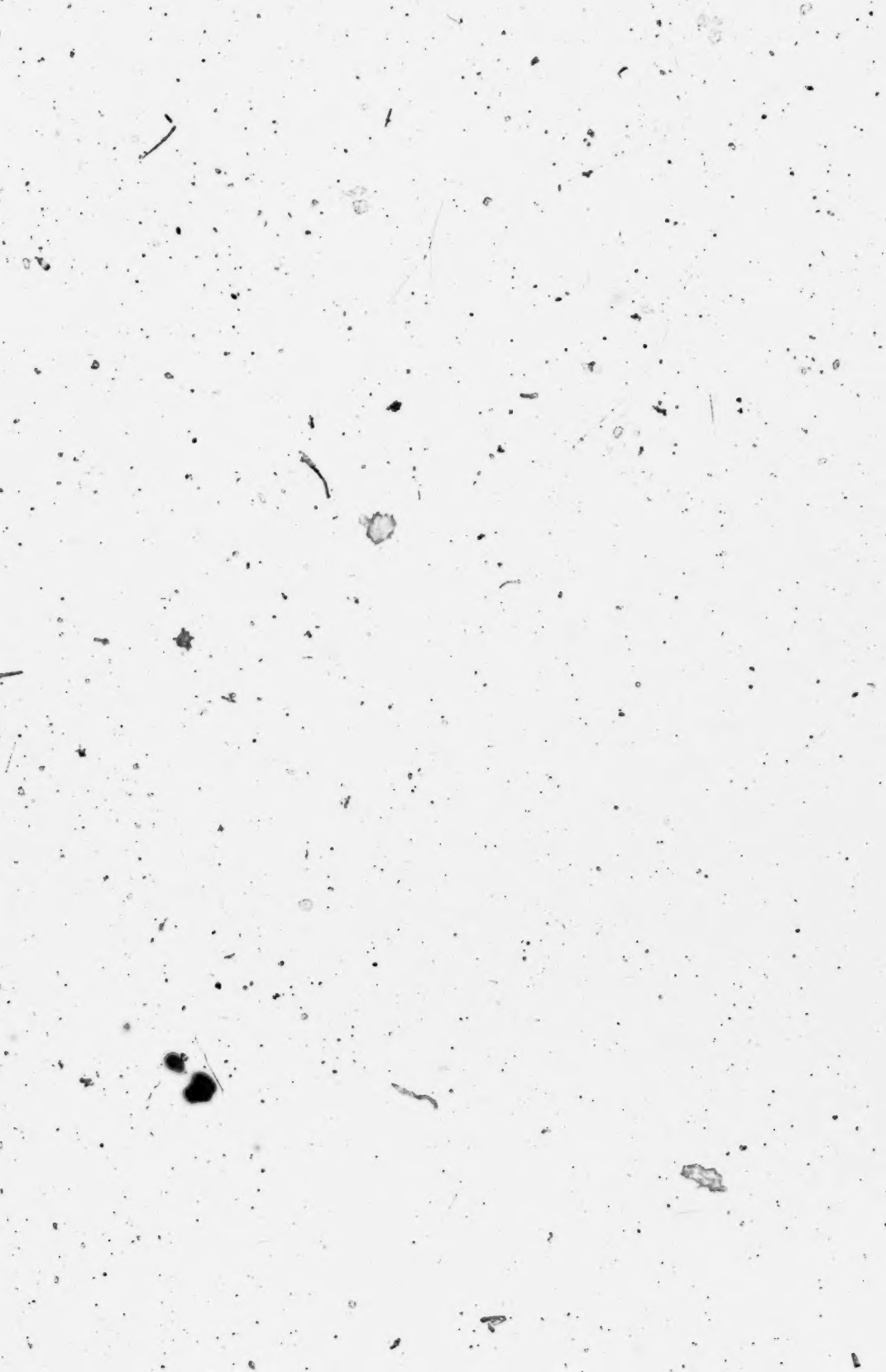

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BRIEF IN OPPOSITION.

Opinions Below.

The opinion of the United States Court of Customs and Patent Appeals is reported at 293 F. 2d 685 and 130 U. S. P. Q. 412. It is also printed as Appendix A to the Petition. The opinion of the Trademark Trial and Appeal Board is reported at 124 U. S. P. Q. 343 and is printed as Appendix E to the Petition.

Jurisdiction.

Petitioner invokes this Court's jurisdiction under 28 U. S. C. §1256. However, this Court historically has taken the position that decisions by the Court of Customs and

Patent Appeals of the kind presented here are non judicial and therefore not subject to review on certiorari, *McBride* v. *Teeple*, 311 U. S. 649 (1940); *Pacific Northwest Canning Co.* v. *Skookum Packers' Ass'n*, 283 U. S. 858 (1931); *Postum Cereal Co.* v. *California Fig Nut Co.*, 272 U. S. 693 (1927); and there is no holding to the effect that the law in this regard has been changed.

The judgment of the Court of Customs and Patent Appeals was entered on August 16, 1961. A petition for rehearing was denied on December 18, 1961.

Questions Presented.

As framed by petitioner, the questions presented are set forth in such a biased and argumentative manner as to obscure the true issues in the case. Stated in a more restrained and accurate fashion, the same questions would appear as follows:

1. May the Court of Customs and Patent Appeals, on appeal from a decision of the Trademark Trial and Appeal Board in a trademark opposition proceeding, base its decision upon a clearly pertinent provision of the applicable federal statute, although the Trademark Trial and Appeal Board did not rely upon this particular provision and it was not invoked specifically on appeal to the Court of Customs and Patent Appeals?

2. May one whose right to use a trademark has been confirmed with certain limitations by prior judicial decree, on the basis of another's estoppel by acquiescence, be prevented by the estopped party from securing federal registration of such trademark, with the limitations of the judicial decree incorporated in the registration certificate?

Statutes Involved.

The petition sets forth the text of 35 U. S. C. §144 and 15 U. S. C. §1052(d). However, petitioner omits any mention of 15 U. S. C. §1071, the section of the Trademark Act of 1946 (Lanham Act) under which its appeal to the United States Court of Customs and Appeals was taken. This highly significant provision reads in pertinent part as follows:

> "Any • • • party to an opposition proceeding • • • who is dissatisfied with the decision of • • • the Trademark Trial and Appeal Board may appeal to the United States Court of Customs and Patent Appeals • • • as in the case of applicants for patents, under the same conditions, rules and procedure as are prescribed in the case of patent appeals or proceedings *so far as they are applicable* • • •" (emphasis added.)

Statement of the Case.

Petitioner seeks review of a decision of the United States Court of Customs and Patent Appeals under which respondent will be granted registration for the trademark "Dunhill Tailors" as applied to men's suits and overcoats, as a concurrent user with petitioner of the trademark "Dunhill," under conditions and limitations to be prescribed in the certificate of registration in the same terms as are set forth in a judgment of the United States District Court for the Southern District of New York entered in a prior civil litigation between the same parties. In the prior litigation, petitioner had sued respondent for trademark infringement growing out of respondent's use of "Dunhill" and "Dunhill Tailors," claiming that petitioner's various registrations for the trademarks "Dunhill" and "Alfred

Dunhill'' were infringed thereby. The basis of the decision in that case (from which no appeal was taken by either party) is explained sufficiently in the following quotation which constitutes paragraph 13 of the District Court's Conclusions of Law (printed in Appendix C to the Petition, at pp. 46-47):

> ''In view of what has almost been cooperation between plaintiff [petitioner] and defendant [respondent] in the latter's use of 'Dunhill', plaintiff's long knowledge of defendant's use of its corporate and trade name, the close and friendly contact between representatives of plaintiff and defendant, and the facts that a Schulte who was a director of plaintiff was simultaneously a customer of defendant and that the Schultes were defendant's landlord at one time, that plaintiff's president was for seven years a clothing customer of defendant and also bought two ties from defendant and is presumed to have seen haberdashery on display at defendant's place of business, and that plaintiff's president sold 'Dunhill' jewelry and offered 'Dunhill' toiletries to defendant for resale, *there was an implied assurance by plaintiff to defendant* that defendant might continue the sale under the name it was then using, i.e., 'Dunhill Tailors', of the following products for men, as such products are defined and set forth in the findings of fact: clothing, jewelry, toiletries, haberdashery, flat leather goods, luggage and silent valets; provided, however, that whenever defendant so makes any use of 'Dunhill Tailors', the word 'Tailors' shall always be horizontally juxtaposed to 'Dunhill' and shall always be in the same form, font, style, size, color, and as prominent as 'Dunhill', and provided further that defendant shall not use 'Dunhill Tailors' in lower case.'' (emphasis added.)

The explanation for the reference to ''lower case'' is that petitioner displays the mark ''dunhill,'' including the ini-

tial letter "d," in a distinctive style of lower case type (R. 57-65). This was noted in the opinion of the court below (Appendix A to Petition, at p. 19).

Two further significant facts are that respondent had registered "Dunhill" as its trademark for men's suits and overcoats in 1924 under the Trademark Act of 1920, 15 U. S. C. §§121-128, which registration expired in 1947 under the provisions of §46(b) of the Trademark Act of 1946, 15 U. S. C. §1051 note (see Finding No. 20 in District Court action, Appendix C to Petition, at p. 41); and that, of all petitioner's numerous trademark registrations for "Alfred Dunhill" and "Dunhill," there was only one in the clothing classification ("Alfred Dunhill" for men's ties, R. 69) and the District Court specifically refused to hold that particular registration valid, the reference to it in the final judgment of the United States District Court having been stricken out and initialed by the judge prior to his signature of the document submitted to him for that purpose (Appendix D to Petition, at p. 49).

The judgment was in the form of an injunction containing an exception permitting respondent to use "Dunhill Tailors" on the same goods and subject to the same limitations set forth in Conclusion of Law No. 13 (quoted above). As the Court of Customs and Patent Appeals expressed it, "The equity court found rights in both parties to the suit and undertook to protect them both." (Appendix A to Petition, at pp. 17-18.)

Prior to the institution of the infringement action in the District Court, respondent had filed an application for the registration of "Dunhill" as its trademark for men's suits and overcoats in the United States Patent Office, to replace the expired 1924 registration issued under prior law. Proceedings on this application were suspended by the Patent

Office pending the termination of the civil suit in the District Court, in accordance with normal practice. After the judgment of the District Court had become final, respondent amended its pending application to show the mark in the form of "Dunhill Tailors" which the District Court judgment permitted it to use, and the Patent Office approved the application.

When respondent's "Dunhill Tailors" mark was published in the Official Gazette pursuant to 15 U. S. C. §1062a, petitioner filed a notice of opposition. Both parties moved for summary judgment before the Trademark Trial and Appeal Board, taking the position that there was no dispute about any material fact and that only issues of law were involved.

Respondent's submission fundamentally was that the decision of the District Court was conclusive between the parties upon its right to use the mark "Dunhill Tailors" for certain goods, including those specified in the application for registration; and hence that petitioner lacked any legal standing to oppose since it must be presumed conclusively that it would suffer no "damage" from the registration of respondent's mark, the necessary prerequisite under 15 U. S. C. §1063. The Trademark Trial and Appeal Board agreed with this position and dismissed the opposition. (Appendix E to Petition.)

Petitioner then appealed to the United States Court of Customs and Patent Appeals. The majority of that court also believed that petitioner was not entitled to prevent the issuance to respondent of a registration covering the trademark "Dunhill Tailors" for men's suits and overcoats. However, the Court of Customs and Patent Appeals decided that the registration should contain conditions and limitations corresponding to those set forth in the applicable portion of the final judgment in the civil action be-

tween the parties. This paragraph of the judgment is essentially in the same terms as paragraph 13 of the Conclusions of Law quoted above. Specifically, paragraph 6 of the final judgment (Appendix D to Petition, at p. 50) enjoins the defendant from using "Dunhill" as a trademark with the following exception:

> "That defendant may use the words 'Dunhill Tailors' on or in connection with the advertising, offering for sale and sale, including use in its corporate title, of the following products for men, as such products are defined in the Findings of Fact filed herein, namely, clothing, jewelry, toiletries, haberdashery, flat leather goods, luggage and silent valets;
>
> "Provided, however, that when defendant so makes any use of 'Dunhill Tailors', the word 'Tailors' shall always be horizontally juxtaposed to 'Dunhill' and shall always be in the same form, font, style, size and color and as prominent as 'Dunhill', and provided further that defendant shall not use 'Dunhill Tailors' in lower case type."

The Court of Customs and Patent Appeals based its decision that the certificate of registration to be issued to respondent should repeat the limitations of the final judgment in the civil action on Section 2(d) of the Lanham Act, 15 U. S. C. §1052(d), which provides in part that concurrent registrations may be granted by the Commissioner of Patents "when a court has finally determined that more than one person is entitled to use the same or similar marks in commerce." This section also provides that concurrent registrations shall prescribe "conditions and limitations as to the mode or place of use or the goods in connection with which such registrations may be granted." Although respondent had not requested a concurrent registration

under this provision of the statute, the Court of Customs and Patent Appeals felt it proper under the circumstances to require that the certificate of registration enumerate the "conditions and limitations."

A fundamental proposition which petitioner's presentation of the case completely ignores is that two or more parties simultaneously can own and register the same or similar trademarks for different types of goods. This is a "commonplace" fact of commercial life, as the court below noted (Appendix D to Petition, at p. 26), and is perfectly lawful. The Court of Customs and Patent Appeals was fully conscious of the significance of this point; its opinion includes the following pertinent question and answer:

> "This brings the question down to this: can applicant own 'Dunhill Tailors' as a trademark for men's suits and overcoats while opposer owns 'Dunhill,' alone and in various other combinations, for other goods? We see no reason why not." (Appendix A to Petition, at p. 25.)

In summary, what happened to respondent's trademark application is this: the Patent Office Examiner decided that respondent was entitled to a registration of "Dunhill Tailors" for men's suits and overcoats without any restriction; the Trademark Trial and Appeal Board came to the same conclusion after petitioner had opposed the application for registration, and therefore dismissed petitioner's notice of opposition; the Court of Customs and Patent Appeals agreed that respondent was entitled to the registration, but prescribed a "concurrent" registration certificate restating the same conditions and limitations that had been set forth in the judgment of the District Court in the prior infringement action between the parties. Respondent has not taken issue with the decision of the Court of

Customs and Patent Appeals. Petitioner seeks to have this Court review it, arguing (1) That the Court of Customs and Patent Appeals had no authority to order a concurrent registration; and (2) That respondent is not entitled to any registration at all.

ARGUMENT.

I.

This case arises on a unique set of facts and does not raise any issue of wide general importance.

The special circumstances of this case are indicated amply by the quotation set forth above of paragraph 13 of the Conclusions of Law of the United States District Court of the Southern District of New York. An extremely unusual set of facts led the District Judge to decide that petitioner herein was estopped by its acquiescence from obtaining a complete injunction against all use of the term "Dunhill" by respondent; the District Court granted limited rights to respondent to use the term "Dunhill Tailors" in view of the unique circumstances of the case.

Neither party requested the District Court to issue any specific order to the Commissioner of Patents relating to the pending application of respondent for the registration of its trademark, although the District Court would have had the power to "determine the right to registration" under 15 U. S. C. §1119. Instead, respondent followed the alternative procedure of filing a copy of the judgment in the Patent Office in order to demonstrate that it had the right to use the mark on men's suits and overcoats in the form "Dunhill Tailors," and thus was entitled to registration.

Respondent's right to use the mark within the limitations and on the conditions set forth in the judgment of the District Court has been established and cannot now be overturned. Whether a party in such a position is entitled to a concurrent registration under 15 U. S. C. §1052(d) (as distinguished from an ordinary registration which does not set forth conditions and limitations), or whether the court below was wrong altogether in deciding that respondent was entitled to register its mark in the United States Patent Office, are not matters at all likely ever to arise again in this context nor do they have that degree of public importance which would justify review by this Court.

It should also be noted that petitioner is in the anomalous position of asking for a review of a judgment ostensibly in its favor. Petitioner was the appellant in the United States Court of Customs and Patent Appeals, seeking reversal of the decision of the Trademark Trial and Appeal Board. The Court of Customs and Patent Appeals did reverse the Trademark Trial and Appeal Board, which is precisely what petitioner had asked it to do. The judgment of the Court of Customs and Patent Appeals on August 16, 1961 (originally omitted from the petition but printed and added to it at a later date) simply ordered that "the decision of the Trademark Trial and Appeal Board be, and the same is hereby reversed." Accordingly, petitioner does not wish the decision of the Court of Customs and Patent Appeals to be reversed; its quarrel is with the grounds on which the judgment below was based, not the judgment of reversal itself.

II.

The Court of Customs and Patent Appeals plainly committed no error in the procedure it followed and the result it reached.

Petitioner's principal argument appears to be that the Court of Customs and Patent Appeals exceeded its statutory authority by ordering a concurrent registration in this case, because the issue of whether or not the registration should be a concurrent one under 15 U. S. C. §1052(d) was not specifically raised in the Patent Office or before the Court of Customs and Patent Appeals. Petitioner quotes 35 U. S. C. §144 as the governing statute on this point, emphasizing that portion of the section which states that the decision of the Court of Customs and Patent Appeals "shall be confined to the points set forth in the reasons of appeal." However, 35 U. S. C. §144 is part of the Patent Code; whereas as noted in the introductory portion of this brief, this appeal was brought under 15 U. S. C. §1071, which does not mention 35 U. S. C. §144: it provides merely that appeals to the Court of Customs and Patent Appeals in trademark cases shall follow the same procedures prescribed for patent appeals "so far as they are applicable."

What petitioner has overlooked is that the Court of Customs and Patent Appeals has long taken the position that there is a difference between patent and trademark cases, with specific reference to the scope of review. One of the cases on which petitioner relies in this very proceeding, *In re Tucker*, 54 F. 2d 815 (C. C. P. A. 1932), contains an explicit statement to that effect, as follows:

> "* * * we do not believe our powers and duties in trade-mark appeals are confined or restricted to the

same limits as they are in patent appeals." (at p. 816.)

The basis for the difference is not hard to apprehend. This Court can take judicial notice of the fact that appeals to the United States Court of Customs and Patent Appeals in patent cases involve typically a large number of extremely technical points and generally are concerned with whether certain specific portions of various claims in a patent application should have been allowed. All three of the cases cited by petitioner in support of this argument dealt with issues of that sort (Petition, p. 8). It is altogether proper for an appellant in such a case to be limited by the reasons of appeal set forth in his petition to the Court of Customs and Patent Appeals; the appellant is held to have waived any points which he fails to preserve in the petition of appeal, and the Court of Customs and Patent Appeals is directed by statute not to search the record for any such points. In trademark cases, on the other hand, the Court of Customs and Patent Appeals typically has before it issues of the proper construction or application of the Trademark Act. In the instant case, the Court of Customs and Patent Appeals specifically faced up to what it was doing; the court wrote:

> "We are clearly of the view on the record before us that the applicable statutory law, which neither party has invoked but which we should nevertheless apply [citation omitted], is that provision of section 2(d) which provides for concurrent registration 'when a court has finally determined that more than one person is entitled to use the same or similar marks in commerce.'" (Appendix A to Petition, at p. 28.)

In an earlier trademark case, *Coschocton Glove Co.* v. *Buckeye Glove Co.*, 90 F. 2d 669 (C. C. P. A. 1937), the Court of Customs and Patent Appeals had written (at p. 664):

> "A further suggestion has been offered that, to reach the conclusion which we have reached, it is necessary for us to pass upon questions not considered by the tribunals below and not raised in the reasons of appeal. So far as this may seem to be correct, it is sufficient to say that the questions which we decide are inherent in the case and hence should have been considered below • • •.
>
> "We have no doubt of this court's authority to take the course here taken, and regard it our duty to construe the statute and point out what we consider its proper application to the facts of the case."

In any event, the Reasons of Appeal in this case (R. 92-95) are stated with sufficient breadth to include the issue of concurrent registration under 15 U. S. C. §1052(d). Section 2(d) of the Lanham Act, which is 15 U. S. C. §1052(d), is invoked specifically no less than four times in the Reasons of Appeal and this is the same section under which the court below decided concurrent registration ought to be issued.

Petitioner's argument is that respondent is not the "owner" of the trademark "Dunhill Tailors" for men's suits and overcoats, and hence should not be permitted to register it. Support for this proposition is sought in three decisions of the Court of Customs and Patent Appeals (Petition, p. 10). Aside from their other deficiencies as authority here; these cases clearly are inapplicable because all of them were decided under the Trademark Act of 1905, 15 U. S. C. §§81-109, which is no longer in effect. One of the fundamental changes introduced into the law by the Trademark Act of 1946 (under which the instant case arises) was to make the right to register a mark conform to the right

to use the mark. Robert, The New Trademark Manual 55-56, 201 (1947); Note, The Lanham Act and the Right to Register, 39 Geo. L. Rev. 294 (1951); Derenberg, The Third Year of Administration of the Lanham Act of 1946, 40 Trademark Reporter 914, 940 (1950).

In order to carry out this purpose, the statute includes a provision making the equitable defenses of laches, acquiescence and estoppel applicable in oppositions and similar proceedings in the Patent Office (15 U. S. C. §1069). Petitioner's argument gives no effect to this provision and flouts the statutory purpose that registration should be co-extensive with the right to use.

So far as the merits are concerned, 15 U. S. C. §1052(d) provides for concurrent registration "when a court has finally determined that more than one person is entitled to use the same or similar marks in commerce." This provision fits the instant case like the proverbial glove.

Conclusion.

For the foregoing reasons, the petition for certiorari should be denied.

Respectfully submitted,

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